

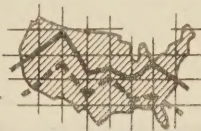
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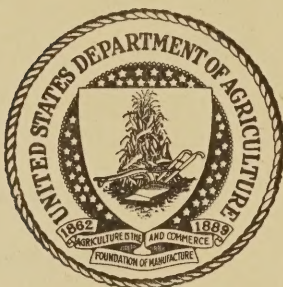
The Land Market

THE VIEWS OF CORN BELT FARMERS
ON BUYING AND SELLING LAND IN
THE PRESENT MARKET
COMPARED WITH FINDINGS FROM
SIMILAR SURVEYS IN 1943 AND 1944

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SUMMARY OF THE MAIN FINDINGS

Corn Belt farmers as buyers in the land market

The end of the war might be presumed to have either of two major effects on the attitudes of farmers toward buying land: (1) that with the easing of labor and machinery shortages, so that farm operations could be expanded, farmers would be eager to buy land; (2) that with land values still high, and the prospect of high farm income diminished by the end of the war, they would be disposed to stay out of the land market.

The survey indicates that the second of these attitudes prevails among farmers. Consistent with the findings of a survey of the attitudes of Corn Belt farmers in 1944, about three-quarters of the farmers think land values have reached the limit of safety--that is, that they have reached or passed the point at which returns from the land can be expected to justify the investment. These views apply, to a somewhat lesser degree, to the farms they themselves are operating; most of them feel their farms could command more on the present market than they are worth.

In 1944, 61 percent of the farmers said that even if they wanted land and had money to buy with they would postpone buying. Now, 75 percent take this view. Their argument is that the price of land or the prices of farm commodities or both are going to come down.* In 1944, the expectation that these prices would come down after the war was just about as widespread as it is now, but so long as the war was going on the possibility remained of making even high-priced land pay out. Now that the war is over, the expectation of a decline in farm income plays a larger part in farmers' attitudes toward land buying.

About 30 percent of the Corn Belt farmers say they are interested in buying land. But only about half of these appear to have definite expectations of doing so, and most of those with definite expectations

*Interviewing in this survey was carried on from September 3 to December 15, 1945. More recent developments in the food-supply situation may have altered farmers' views on the future of farm-commodity prices. The views they were asked to express in the survey, however, were not of immediate price trends but of trends to be expected during the next 5 years.

plan to wait until later to buy. The proportion who say they are in the market to buy now is about the same as the proportion who said in 1944 that they were trying to buy then. Tenant farmers predominate among those who want to buy, but they are even more disposed to postpone action than are owners.

Corn Belt farmers as sellers in the land market

Among Corn Belt owner-operators as a whole, present land values do not appear to be a strong inducement to sell. Fewer farmers are rated as "quite willing to sell" than in the 1944 survey, in spite of the fact that land values have increased since then. By and large they do not see how they could better themselves by selling, even at present high prices, because they would want to reinvest in land. Many of those who do want to sell indicate dissatisfaction with their farms, and there are other indications that the farms most readily available on the market are the cheaper ones.

Attitudes toward Government control of the land market

Virtually all the farmers know what happened to the land market a few years after the last war, and two-thirds of them believe that, if a repetition of that catastrophe threatens, the Government ought to take steps to prevent it. The other third, who include in their number many who feel land values are already overinflated, oppose "Government interference" in principle.

THE PURPOSE OF THE SURVEY

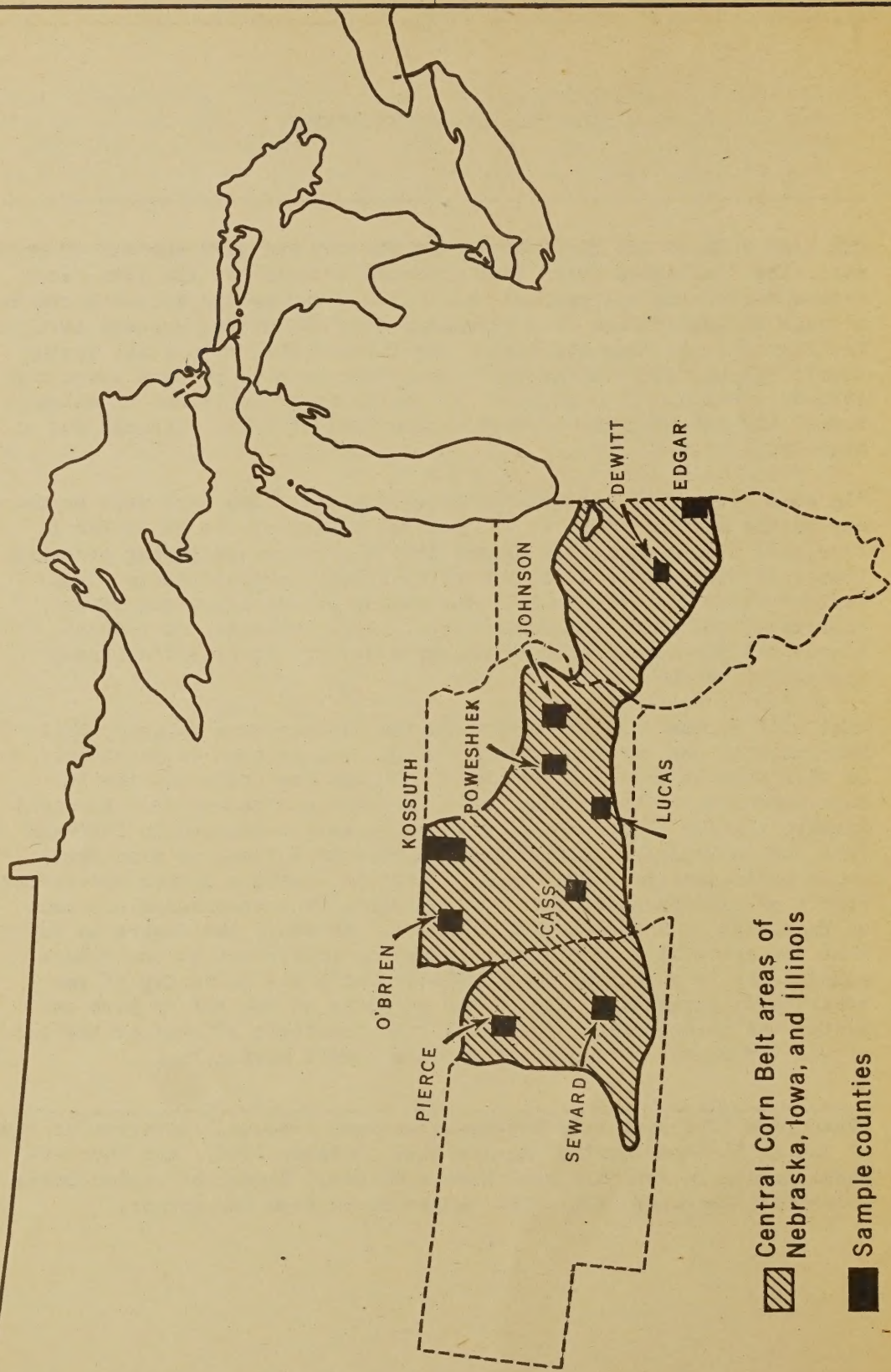
THE LAND BOOM of the first World War did not end with the end of that war. The "inflation peak" that preceded disaster in the farm real-estate market was not reached until 1920. During the second World War, average values of farm land increased over the prewar average at about the same rate as they did during the first. They were still rising toward the end of 1945, at which time they were 60 percent above the 1935-39 average. In most parts of the country the volume of sales toward the end of 1945 was higher than that of 1944, although not so high as in 1943.*

"In some respects," say Government economists, "the next year or two may be the most critical in the general period of the World War II farm real estate market... (There will be) increased buying pressure from returning veterans and war workers and increased demand from various sources arising out of the easing of machinery and labor shortages, inflation and unemployment hedge motives, and reduced incentives for maintaining accumulated savings in noninflationary types of investments."

What will be the role of farmers in the postwar land market? Will they want to use wartime savings to buy land as soon as possible? Or will they be deterred from buying by the fear of a decline in farm-commodity prices, or by the hope that land values will go down? Surveys similar to the one here reported were conducted in 1943 and 1944, to investigate whether farmers were in a frame of mind that would contribute to a land boom. These indicated a rather widespread spirit of caution about land buying, based to a considerable extent on knowledge of the post-1920 collapse. However, the desire to buy that was revealed in the surveys might be sufficient to contribute appreciably to a postwar land inflation with the loosening of restraints on expansion. One of the purposes of the survey here reported was to determine, therefore, the immediate effects of the end of the war on the attitudes of farmers toward buying land.

*Data from "The Farm Real Estate Situation, 1944-45," Circular No. 743 of the U. S. Department of Agriculture (October 1945), and "Current Developments in the Farm Real Estate Market," Bureau of Agricultural Economics, December 1945. The quotation is from the former.

LOCATION OF SAMPLE COUNTIES AND REGIONS REPRESENTED



Central Corn Belt areas of Nebraska, Iowa, and Illinois

Sample counties

On the other hand, there is the possibility that present high land values, especially if farmers expect them to decline rather sharply as the result of the end of the war, might make owners eager to sell their land. An appreciable increase in the supply of land would presumably help to check the rise of land prices. A second purpose of the survey, therefore, was to ascertain the willingness of farmers to sell their land.

Areas covered by the survey

The present survey, like those made in 1943 and 1944, was carried out in the central Corn Belt areas of Nebraska, Iowa, and Illinois. (As of November 1, 1945, land values in these three States averaged 25, 55, and 65 percent, respectively, above their 1935-39 averages. The average increase for the country as a whole was 60 percent.)

Interviews were taken in 10 counties carefully selected to provide a representative cross-section of the areas (see map). Within these counties, 382 farmers, a sample of all those in the region who operate farms of at least 30 acres, were interviewed between September 3 and December 15, 1945.*

Special survey of recent buyers of land

At about the same time, a survey was made in the same areas of people who had recently bought land. Here the objectives were to determine the motives for buying--for example, whether people were buying for speculation or for long-term land operation; the motives for selling, which would provide another clue to the extent of speculation in the market; the methods by which purchases had been financed--that is, the extent of "shoestring" buying, a practice that augmented the disastrous effects of the first postwar land boom; and the agents or forces influencing people to buy.

The report of this special survey will be issued separately, and will contain some comparisons with the findings of the survey reported in the following pages.

*It will be noted that only 314 cases are dealt with in the report. In order to obtain enough interviews for a separate analysis of Cass County, Iowa, for use in another study, that county was sampled at a rate three and one-half times that of the other 9 counties in the sample. Data for Cass County were reduced to their proper proportion for this survey by weighting interviews taken there to 30 percent of their original strength.

I. FARMERS AS POTENTIAL BUYERS

IN THE CURRENT LAND MARKET

THE 1944 SURVEY of the attitudes of Corn Belt farmers toward the farm real-estate market showed the growth during the preceding year of attitudes unfavorable toward buying land. The survey conducted toward the end of 1945, after the end of the war, shows that these attitudes have continued to spread, although for the most part not so rapidly as between 1943 and 1944. In other words, the end of the war was not immediately followed by a drastic revision of farmers' views of the land market; trends already well in evidence in 1944 continued at a moderate rate.

ATTITUDES TOWARD BUYING LAND

Belief that land prices are too high has increased since 1944

In 1943, when the first of these surveys was made, about 2-farmers in 10 in the central Corn Belt* thought the prices of farm land too high. In 1944, about 4 in 10 were definitely of this opinion. Toward the end of 1945, that opinion, unqualified, was held by 5 out of 10 farmers. (Land values in the North Central states rose on the average roughly 14 percent between 1943 and 1944, and then 8 percent between 1944 and 1945.)

*For the sake of convenience, the group studied is referred to throughout the report as the Corn Belt or central Corn Belt farmers. Actually, only the central Corn Belt areas of Nebraska, Iowa, and Illinois are represented in the surveys.

"What do you think about the prices being paid for land now?"

	<u>1943</u>	<u>1944</u>	<u>1945</u>
Too high	23%	39%	52%
All right, with reservations	5*	24	22
All right	52	28	20
Too low	5	2	1
Depends on location, quality, etc.	4	2	3
Don't know	5	4	1
Opinions not ascertained	6	1	1
	<u>100%</u>	<u>100%</u>	<u>100%</u>
Number of cases	309	298	314

Typical of the answers grouped in the three main categories are these comments:

Prices are too high

"I think they are paying entirely too much. If they don't lose them and their shirt along with it they will be lucky. I think they should have listened to the Government and farm magazines. I know when the depression comes, and it is bound to come, they are going to see some hard times--if they don't lose it."

All right, with reservations

"Well, I suppose at the moment probably it's worth it--they probably could make out on the basis of present prices. But judging by the way things have gone in the past I doubt it. A lot of things enter in there. If a man's got \$20,000 and no place to put it it may be all right for him to buy a farm now, but in the long run it's an inflated value would be my guess."

About right

"It's all right. According to everything else, land ain't too high."

*In 1943 this category was limited to "all right, but fear future drop in commodity prices." In 1944 it was broadened to include all reservations, such as that prices could not go higher and be safe, or that prices were safe now only if a substantial down payment was made. The difference in grouping probably accounts for some, but not all, of the change in frequency in this category from 1943 to 1944.

This year as last, tenants are more likely to take an unfavorable view of current land values than are operators who own their farms (Appendix, table 1). Tenants are more interested in buying land (table 2), and more often look at the market from the buyer's point of view. Part-owners, that is, farmers who own part of the land they operate and rent part, fall between the other two groups.

Most farmers think land values have reached the limit of safety, and that the market values of their own farms are overinflated

Three-fourths of the Corn Belt farmers now take the view that if the prices of land go any higher they will exceed the earning power of the land. They feel, in fact, that their own farms now have market values out of proportion to their long-term earning power. The opinion that land values are overinflated was already widespread in 1944, having developed considerably in the period from 1943 to 1944:

"How much higher can land prices go and still allow the land to pay out?"

	<u>1943</u>	<u>1944</u>	<u>1945</u>
None, too high now	7%	19%	28%
None, high enough now	)	50	46
A little higher, up to 15 percent	)49	5	9
15-40 percent higher	10	5	5
Over 40 percent higher	4	1	0
Higher, degree not specified	6	7	4
Depends on price of farm products	9	4	1
Undecided, don't know	11	2	6
Opinions not ascertained	4	7	1
	<u>100%</u>	<u>100%</u>	<u>100%</u>
Number of cases	309	298	314

It is likely that some of those who say here "Prices are high enough now" actually mean that they are too high to make buying land now profitable, for almost two-thirds think the farms they themselves are operating are inflated beyond their real worth:

Farmers' estimates of how the long-term value of their own farms compares with their present prices*

	<u>1944</u>	<u>1945</u>
Think long-term value is:		
Higher than present price	7%	3%
About the same	24	25
1-10 percent lower	6)	8)
11-25 percent lower	20)	27)
More than 25 percent lower	23) 53%	29) 65%
Lower, degree unspecified	4)	1)
Opinions not ascertained	<u>16</u>	<u>7</u>
	100%	100%
Number of cases	298	314

Farmers operating poorer land are less likely than those with high-priced land to feel that their farms are greatly overinflated in value (Appendix, part B), in spite of the fact that they report much greater percentage increases over the prewar prices of their farms.

Three out of four farmers say
they would not consider buying
in the present land market

Most farmers say they would not consider buying land in the present market even if they wanted to acquire land and had money with which to buy it. This attitude of resistance has increased fairly substantially since 1944, so that the majority expressing it is now large:

*Based on answers to the questions "If this farm were for sale, what do you think it would bring on the present market?" and "How much do you think a farmer could pay for this farm now and still make it pay out over a period of years?" For farmers' appraisals of how much the market values of their farms have increased since before the war, see part B of the Appendix.

"Suppose you were in the market for a farm to operate over a period of years and had the down payment, would you buy now or later?"

	<u>1944</u>	<u>1945</u>
Would buy now	32%	20%
Would buy later	61	75
Undecided, don't know	6	4
Opinions not ascertained	<u>1</u>	<u>1</u>
	100%	100%
Number of cases	298	314

Those who would favor waiting to buy in most cases name waiting periods of more than two and a half years:

(If "later") "How much later?"

Would favor waiting:

2½ years or less	14%
2½ to 6 years	47
More than 6 years	5
No definite time given	10
Would buy now	20
Opinions not ascertained	<u>4</u>
	100%
Number of cases	314

Farmers explain their views on the advisability of buying land now as follows:

Proportion of farmers
mentioning each factor

1944 1945

Factors unfavorable to buying now:

Prices of land or farm products will
fall (land inflated beyond long-
term earning power)

55% 71%

Factors favorable to buying now:

Farms will be scarce later

9 3

The price of land will rise or remain high

8 3

Price of land is low compared to prices of
farm products

8 8

Would buy at any time for sake of owning
land

3 2

Government will support farm prices

2 1

Reservations:

All right to buy now with very large
down payment

9 8

All right to buy now for unusually good buy

6 3

Depends on purpose for which farm is bought

0 1

No reasons given

14 6
* *

Number of cases

298

314

The only argument against buying that is advanced with greater frequency in the 1945 survey is that prices of land or of farm commodities are going to fall. Actually, the belief that there would be a postwar drop in these prices was almost as widespread in 1944 as in 1945, as the following section shows. But so long as the war was going on the prospect of price declines was remote; there was still the prospect of a period of continued high commodity prices during which even high-priced land could be operated profitably. With the end of the war, the expectation of a postwar decline in prices becomes more influential in determining farmers' attitudes toward buying land. Those farmers who say they would not wait if they wanted to buy land do not, for the most part, expect a drop in land prices during the next 5 years (Appendix, table 3).

*Columns each add to more than 100 percent because some farmers mentioned more than one factor.

TRENDS EXPECTED IN LAND AND COMMODITY PRICES*

Most farmers expect land values
to decline within 5 years

Six out of 10 Corn Belt farmers believe that the price of land will go down within 5 years, either rather soon or after a further period of high prices. The proportion holding this view is not appreciably larger now than it was a year ago, although decidedly larger than it was in 1943, when many farmers felt they could not foresee postwar price trends.

"What do you think will happen to the price of land during the first 5 years after the war?"**

	<u>1943</u>	<u>1944</u>	<u>1945</u>
Land prices will:			
Rise	8%	5%	11%
Stay about the same	24	23	18
Fall	27)	32)	42)
Fall after a period of good prices	)36 9)	)58 26)	)62 20)
Undecided, "it depends," don't know	32	14	9
	<u>100%</u>	<u>100%</u>	<u>100%</u>
Number of cases	309	298	314

*It should be borne in mind, in reading this section, that the interviews on which the findings are based were taken during the last 4 months of 1945. Increasing appeals, since then, for food for export may have altered farmers' views on price trends, even though the trends discussed in the survey are for a 5-year period.

**In the 1945 survey, the question read, ". . . during the next 5 years?"

The reasons farmers give for expecting or not expecting a decline in land values are varied; the only ones frequently mentioned have to do with the future trend of farm-commodity prices; the expected drop in these prices is mentioned much more often in the 1945 survey than it was in 1944, but that farm-commodity prices would drop after the war was an opinion already widely held in 1944:

	<u>Proportion of farmers mentioning each factor</u>	
	<u>1944</u>	<u>1945</u>
<u>Factors keeping land values high or causing them to rise:</u>		
Farm-commodity prices will be good	15%	12%
Inflation is being curbed this time, so slump will be avoided; buyers cautious	9	3
Demand for farms will be high	6	9
Price of land stayed up for a while after the last war	3	0
Investment or speculative buyers will hold the price up	1	6
<u>Factors making land values fall or pre- venting a rise:</u>		
Farm-commodity prices will fall	19	46
Land values fell after the last war	14	5
People will not buy land because they fear a boom	2	1
Government will prevent a rise in land prices	1	0
<u>Price of land depends on:</u>		
Price of farm products	11	7
Whether the Government continues to control prices	4	3
Whether the Government controls the land market	1	0
No factors mentioned	25	17
	*	*
Number of cases	298	314

*The columns add to more than 100 percent because some farmers mentioned more than one factor.

More farmers expect commodity prices
to go down than expect the price
of land to go down

Although 3 out of 10 farmers expect no decline in the prices of land for at least 5 years, only 1 out of 10 thinks farm-commodity prices will remain at present levels for that length of time. Eighty percent expect a decline within the next 5 years, a slightly larger proportion than last year, when a substantial majority already held that view.

"What do you think will happen to prices of farm products during the first 5 years after the war? Why?"

	<u>1943</u>	<u>1944</u>	<u>1945</u>
Prices of farm products will:			
Rise	3%	1%	2%
Stay about the same	26	18	9
Fall	35)	38)	52)
Fall after a period of good prices	)49 14)	)71 33)	)80 28)
Undecided, "it depends," don't know	22	9	9
Opinions not ascertained	<u>0</u> 100%	<u>1</u> 100%	<u>0</u> 100%
Number of cases	309	298	314

How much of a drop farmers expect within the specified period is not clear, as most of those surveyed gave no information on this point. Of those who described the magnitude of the price declines they expect, only a small proportion felt they would be as severe as they were after the last war.

Farmers base their expectations of a drop on an expected decline in foreign demand as well as a low domestic demand. Both these expectations are mentioned somewhat more frequently in the 1945 survey than they were in 1944.

*In 1945 the question was altered to "What do you think will happen to prices of farm products during the next 5 years?"

PROSPECTIVE BUYERS

Although the attitude of the 20 percent who say they would not wait if they wanted to buy land may appear to imply dangerous possibilities, it should be borne in mind that relatively few of these farmers report that they are actually in the market to buy. In the 1945 survey, as in that of 1944, about 3 farmers in 10 say they are thinking of buying land, but most of these prospective buyers say they expect to wait, either because land is too high-priced or because they do not have enough money to buy. The proportion who are actually in the market, on the basis of replies received from the farmers interviewed in 1944 and 1945, does not appear to have changed during the last year.*

Farmers who are interested in buying land give the following reasons:

Thinking of buying land (now, or later)	31%
Want a farm as a home	12%**
Ownership is more profitable than renting	9
Want a farm for investment	9
Present farm too small or unsatisfactory because of location, soil, etc.	6
Want a farm for operation by some other member of the family	5

Most of these reasons are of the sort that might be given in normal times, and are comparable with those given in the 1944 survey. A growing number of farmers, it is true, speak of buying land for investment purposes: 9 percent now mention this purpose, as compared with only 1 percent in 1944. But by far the main motivation for buying is the desire to improve one's living circumstances or to own one's own farm and home. Tenants are more interested in buying than are owner-operators, although most of them plan to wait until later to buy (Appendix, table 2).

*In 1944, 8 percent of the sample said they were considering buying land then, an additional 20 percent that they were considering buying later on. In 1945, 8 percent said they were considering buying then; another 23 percent said that they were thinking of buying later on, but the majority of these 23 percent were classified as "not having definite expectations" of buying. Three percent of the 1945 sample had bought land during the previous year; 12 percent had bought during the 4 years since Pearl Harbor.

**These figures add to more than 31 percent because some farmers give more than one reason for their interest in buying land.

Many of the farmers who report that they are considering buying now are in the group who think prices too high (Appendix, table 4), a fact that may operate to delay actual purchase in some cases.

Farmers favor large down payments.

Those with plans to buy land have
relatively large liquid assets

Because most farmers consider this a risky time to buy land, they do not recommend shoestring buying. If a man must buy now, they say, he should pay down a substantial part of the purchase price.

"How large a down payment do you think a man ought to make if he wants to buy a farm now?"

	<u>1944</u>	<u>1945</u>
Less than 20 percent	2%	1%
20 to 39 percent	18	15
40 to 59 percent	52	62
60 to 79 percent	16	14
80 to 99 percent	0	1
Payment in full	5	3
Large down payment, amount not specified	3	0
Don't know	3	1
Opinions not ascertained	<u>1</u>	<u>3</u>
	100%	100%
Number of cases	298	314

Farmers who are planning to buy land have, on the average, twice the liquid assets of those who are not considering buying. About half those who are in the market feel that, taking their assets and credit into consideration, they could make purchases of \$12,000 or more. The other half are in a position to make smaller purchases only. (See the analysis of Corn Belt farmers' resources for land buying given in part C of the Appendix.)

LOCAL INFLUENCES ON FARMERS' ATTITUDES TOWARD BUYING LAND

One out of every 6 farmers
has been solicited by a real estate man
to buy land

Although the survey reveals no evidence of extraordinary pressures among Corn Belt farmers to buy land, it indicates that real estate men have been moderately active in soliciting them to buy. Seventeen percent of the farmers say they have been approached by dealers wanting them to buy. A very much smaller proportion have been approached by other farmers with land to sell.

As many farmers report having been cautioned against buying as report having been solicited to buy. These warnings have come mainly from other farmers and from the press or radio.

"Has anybody tried to interest you in buying some land?

(If yes) Was it a farmer, or a dealer, or who?"

"Has anybody advised you not to buy land at present?

(If yes) Who was that?"

22% were asked to buy land	22% were advised not to buy land
17%* by real estate men	10%* by other farmers
4 by other farmers	7 by newspapers or the radio
1 by members of their families	4 by members of their families
1 by bankers	3 by bankers
2 by unspecified persons	1 by unspecified persons
76 were not asked to buy land	78 were not advised against buying
1 not ascertained	
100%	100%
314 cases	314 cases

*Percentages here add to more than subtotals because some farmers named more than one source of solicitation or advice.

Farmers look to banks and loan companies
for advice about buying land

Most farmers say they would depend upon their own judgment or that of their fellow-farmers in deciding whether or not to buy land now. About a third, however, say they would consult banks or loan companies on such a question, thereby indicating that these institutions are potentially rather influential as local factors in the land market.

"If you were trying to make up your mind whether to buy a farm now, who would you go to for advice?"

No one; would use own judgment	35%
Another farmer	28
Member of family	4
Banker, loan company	31
County agent, other government official	6
Real estate man	5
Identity not specified	3
Don't know	3
Attitude not ascertained	<u>1</u>
	*

The influence of press and radio on attitudes toward the land market is probably not fully revealed in the foregoing tables, because the questions on which they are based suggest the naming of individuals who have urged or advised against buying. The comment of a farmer interviewed might be of interest to agencies concerned with the dangers of a postwar land boom:

"I have been reading the farm papers quite a bit lately and it does a lot of advertising and it shows a father and his son together; and the father is telling his son to take advantage of the experience he went through before and the thing won't happen again. And I sorta think it is a good idea. I don't know where the farm paper even got such an idea, but it is pretty good."

A more detailed study of local influences in the land market has been made in a survey of recent buyers of land, a report of which will be issued shortly.

*The column adds to more than 100 percent because some farmers named more than one source of advice.

II. FARMERS AS POTENTIAL SELLERS

IN THE CURRENT LAND MARKET

THE VERY FACTORS that make farmers unwilling to buy land in the present market might be expected to contribute to a willingness to sell the land they own. It has been shown that a substantial majority of them think land values have already reached or exceeded the earning power of land, and that many expect the price of land to decline within the next 5 years. The expectation that farm-commodity prices will drop within that period is even more widespread. What part do these attitudes and expectations play in farmers' feelings about selling their farms?

Most farmers say this is a good time to sell land. Yet most owner-operators are unwilling to sell their own farms

In general, farmers say this is a good time to sell land, although most of them preface their remarks with "if a man wanted to sell" or "if he had land he didn't need."

"How do you feel about selling land at this time?"

	Tenants	Owners	All farmers
This is a good time to sell	73%	59%	65%
This is a poor time to sell	14	28	22
Undecided, "it depends"	9	9	9
Opinions not ascertained	4	4	4
	<u>100%</u>	<u>100%</u>	<u>100%</u>
Number of cases	138	176	314

The reasons farmers give with these answers show that for the most part they are simply another indication of the expected trend in land values. That is, farmers do not imply necessarily that owners would

be wise to take advantage of the current market; they mean rather that if an owner wants to sell, this would be a favorable time in which to do so.

Proportion of farmers
mentioning each factor

Factors favoring selling now:

Price of land will drop, or never go higher	33%
People have money, will make large down payments	8
Prices of farm products will drop	*

Factors unfavorable to selling now:

Land is the best investment	11
Income taxes are too high now	10
Price of land will go higher	2
Prices of farm products will stay up	*

Reservations:

Depends on terms of sale (price, all cash)	6
Might get more later	3
Not as good time as it has been before	1

No factors mentioned	35
	**

Number of cases 314

Significantly, less than 1 percent say this would be a good time to sell because farm income is going to drop, or that this is not a good time to sell because farm-commodity prices are going to stay up. The most commonly given reason against selling is that "land is the best investment," which may mean that no other investment offers as great financial returns or simply that a farmer and his family are most secure when they are farming their own land. The fact that income taxes are now high is the only other reason against selling given by any appreciable number.

*Less than 1 percent.

**The column adds to more than 100 percent because some farmers named more than one factor.

Present land values are not of themselves
a strong inducement to sell

Though farmers see the advantage in selling when land prices are at their peak, and believe the values of their own farms to be at a high level now (page 10), most owner-operators are nevertheless unwilling to consider selling. In spite of the fact that land values have risen since 1944, there has been if anything a slight decline in the proportion who feel they might be induced to sell. In the following table, the willingness of owner-operators to sell is rated on the basis of their answers to the question, "Under what conditions would you sell your farm?"

Willingness to Sell

	<u>1944</u>	<u>1945</u>
Quite willing to sell	12%*	6%*
Somewhat willing to sell (with great inducements)	28	24
Entirely unwilling to sell	56	68
Attitude not ascertained	<u>4</u> 100%	<u>2</u> 100%
Number of cases (owner-operators)	177	176

There are indications that the farms easily available on the market are smaller and of poorer quality than those the owners want to hold on to (Appendix, table 5).

Among those who are "quite willing" to sell, the amount of profit they could make and the amount of cash offered in down payment are major considerations. Those who are "somewhat willing" sometimes mention these considerations, but the likelihood of finding other, better farms to buy more often enters into their reasoning. These quotations from interviews indicate the kinds of answers in the first two categories shown in the table:

Quite willing to sell:

"I'd like \$100 an acre for it, and I think I might get it if I hold on for a while. I want to sell it because I'd like to

*Of the sample of farmers in the 1945 survey, 5 percent had actually sold land in 1944.

move to town. I'm getting pretty old to farm it myself, and a tenant don't half keep up the land and you still got it to worry over."

Somewhat willing:

"I'd want half of it down. I'd have to have \$3,500 for it, anyway. (Interviewer's note: This would be \$42.50 an acre. He bought it two years ago at \$24.) I wouldn't want to sell it, anyway. I don't know where I could better myself."

"The only conditions under which I would sell is that I could buy cheaper unimproved land close to high school or where the school bus could pick up my twin boys--they'll be ready for high school a year from now."

"If I could find a place I liked as well for the same money, I might sell. But I'd have to be on a farm, and what I got I want tied up in a farm. Of course I'm well pleased here, so I wouldn't sell anyway, I don't think."

To what extent would a decided rise beyond present values increase the proportion willing to sell? Between the 1944 and 1945 surveys, land values in the North Central States, of which the areas surveyed are a part, rose on the average roughly 8 percent. There was nevertheless no increase in the proportion of farmers who said they would consider selling. When the possibility is suggested that values might increase another 15 percent, the proportion who feel they would not be willing to sell does not diminish. Some of those who earlier indicated that they were somewhat willing to sell consider the 15-percent increase a sufficient inducement, so that the proportion classified as "quite willing" is almost tripled:

"If somebody offered you 15 percent more than it's worth now, say \$_____,* do you think you'd sell then?"

Quite willing to sell then	17%
Might be willing, undecided	10
Unwilling to sell	72**
Attitude not ascertained	1
	<u>100%</u>

Number of cases (owner-operators) 176

*Here the interviewer named a figure 15 percent higher than the farmer had named earlier as the present market value of his farm.

**The apparent increase in the proportion who are unwilling to sell is due to the kind of answers given by some of the farmers who had indicated earlier that they might consider selling under certain conditions

To some of the farmers who profess willingness to sell at the 15 percent increase, the prospect of getting such an offer seems very unlikely, judging by their comments; some doubt may therefore be permitted regarding how carefully considered their answers are:

"Sure, I would then. But anybody offered me that, it'd be a miracle."

Those who are not moved from their earlier position by the suggested increase comment in these ways:

"I kind of doubt (that I would sell for 15 percent more) because there is no place to invest the money and I don't know what I would do with it."

"I don't know. I might take that for it. But I don't know--I have to have a place myself, and this is about as good as any for the price."

"Fifteen percent wouldn't make any difference unless I could get a larger farm near the high school."

"No, it still wouldn't be for sale. I bought it for a home. I don't figure to sell it unless it would be a 'have-to' case."

What makes farmers willing
or unwilling to sell their land?

That market values are by no means the dominant factor in the willingness or unwillingness of farmers to sell their land becomes even more evident from analysis of the reasons they give for their position:

having nothing to do with the price offered--for example, if they would get certain other farms. When the 15 percent increase was suggested, they answered that they would not want to sell--that is, that in the absence of the conditions they had already mentioned the 15 percent increase in offer would not induce them to sell.

	<u>Proportion of farmers mentioning each factor</u>
<u>Factors affecting willingness to sell:</u>	
Present farm unsatisfactory (size, soil, location)	7%
Land prices are high now, would make a profit	7
Old age, ill health, due to retire	6
<u>Barriers to selling:</u>	
Need it for a home and to operate	47
Couldn't get another as good, for same money	22
Land is the best investment	9
Income taxes would take all the profit	6
Other family members opposed	1
No factors mentioned	<u>22</u>
	*
Number of cases (owner-operators)	176

Whereas 33 percent of farmers say that in general this is a good time to sell because land values are at their peak (page 21), when owner-operators discuss selling their own farms only 7 percent mention the factor of present land values. The usual reasons for selling--dissatisfaction with the farms now owned, or personal factors such as old age or poor health--figure at least as prominently in farmers' willingness to sell as does the present favorable state of the market. Those with small or cheap farms are more often willing to sell than those with large, expensive farms (Appendix, table 5).

It is evident from the foregoing table and from the comments quoted earlier that the farmer regards the farm as both his home and his source of livelihood. He cannot give it up simply because a good price offers itself. Such an action would not better his condition, to his way of thinking, unless with the proceeds of the sale he could be certain of buying a better farm, which would be a better home and a better source of livelihood. Not a single farmer in the survey suggests that he would sell his farm at a high price with the intention of moving to the city to await a decline in land values so that he could buy another farm cheaper.

The expectation of a drop in commodity prices
does not figure in most farmers' thinking
concerning selling their farms

It is notable, in the table just preceding, that no farmer mentions the prospect of a decline in commodity prices as an incentive to

*Column adds to more than 100 percent because some farmers mentioned more than one factor.

selling his land. All but a small proportion of owner-operators feel that they could withstand a drop of as much as 25 percent in the prices of the goods they sell:

"How do you think you will make out on this land if the prices for farm products drop about a fourth during the next 5 years?"*

Will make out all right	82%
Will make out all right, assuming other prices drop too	11
Will have a hard time holding land; will have to give up farm	4
Don't know	1
Opinions not ascertained	2
	<u>100%</u>
Number of cases (owner-operators)	176

Most of the farmers characterized above as believing they will make out all right answer rather optimistically. But some in the group acknowledge that such a prospect, while not disastrous, is pretty bleak:

"I could make out all right. Most any farmer could that wasn't in debt too much."

"A quarter--let's see. That would be about 3 dollars on hogs. Well, I don't think it would hurt a farmer too much if they drop a quarter. That's still 10-cent hogs. I think I could get along all right."

"How could it hurt me? I just got it paid for. I paid for it in the last two and a half years. It isn't going to hurt me."

"Well, I still think I can make a living and pay the expenses, but I don't think there'd be much profit left."

*This question was asked of all farmers, tenants as well as owner-operators. Tenants are somewhat, although not markedly, less optimistic about their ability to cope with such a decline in the prices of farm produce. They are more likely to make the qualification that other prices--particularly, of course, rent--would have to come down.

It may be that some of the farmers who take the optimistic view described assume without mentioning it a drop in other prices as well. Those who specifically refer to a general price decline make comments like this:

"Oh, I'd say if everything else dropped accordingly, you'd notice it a little, of course, but it'd still be satisfactory."

It seems fairly evident from the foregoing findings that farmers for the most part do not make decisions to sell their land primarily by weighing its market value against prospective returns from their investment in it. Basic in the thinking of most of them is the desire to continue farming, and except as they reach retirement age they tend to want to be sure of having a better farm to buy before offering to sell.

LOCAL INFLUENCES ON FARMERS TO SELL THEIR LAND

Twenty-three percent of the Corn Belt farmers report that they have been asked to buy land, mainly by real estate dealers (page 18). A slightly larger proportion report having been asked to sell; and again the main pressure has been from dealers, although 11 percent have been asked to sell by other farmers:

"Has anybody tried to get you to put your land up for sale? (If yes) Was it a farmer, or a dealer, or who?"

Asked to sell	28%
By real estate men	20%*
By other farmers	11
By unspecified persons	1
Not asked to sell	72
	<u>100%</u>
Number of cases (owner-operators)	176

*These figures add to more than the subtotal because some farmers named more than one source of solicitation.

III. FARMERS' VIEWS ON CONTROL OF THE LAND MARKET

THREE CORN BELT FARMERS OUT OF FOUR believe that if land values rise beyond their present levels the land will not pay out (page 9). Do they think the Government ought to take steps to prevent such a situation?

A majority feel that the Government should step in if a land boom develops

The extent to which farmers favor Government checks on rising land values is about the same now as it was in 1944. About two-thirds feel the Government should act if the price of land goes beyond the safety level. About a third think the land market should be "left alone."

"Suppose land prices begin to get so high that land won't pay out. Do you think the Government should step in and try to keep land prices down, or should the land market be left alone?"*

	<u>1944</u>	<u>1945</u>
Land market should be controlled	59%	64%
Land market should be left alone	31	32
Undecided, don't know	6	2
Not ascertained	<u>4</u>	<u>2</u>
	<u>100%</u>	<u>100%</u>
Number of cases	298	314

*Wording slightly changed from that in the 1944 survey. In 1944 the question was: "Suppose land prices began to get so high that land will not pay out. Do you think the Government should try to keep land prices down, or should the land market be left alone?"

Many farmers think of land-market-control measures as limited to putting ceiling prices on land, and express approval or disapproval of such a measure in answer to a general question about control. In the 1944 survey, it was found that a higher number approved of such specific measures as profit or credit limitation.

These are typical of the answers classified as favorable to control:

"The Government ought to step right in there and home 'em down. There's going to be an awful lot of 'em lose their farms if they don't. There'll be an awful crash."

"I don't know how they'd stop it if people took a notion to pay these big prices. One thing they done that's good is taxing land that's resold in a year or so. That's discouraging a lot of speculation like last time. Course they might figure out some other way. That'd be all right too. If it gets like last time, I'd think it would be good to do something 'cause that hit everybody hard. When the farmer's down so's everyone else. People went in debt and lost everything they had. That happened to almost everyone around here. I don't want to see 2-cent hogs and 10-cent corn again."

Classified as unfavorable were such comments as these:

"Well, I don't know. If a man hasn't got no more judgment than to dip in, let him go. It's him has to suffer for it. You know a bunch of people aren't a lot different from a bunch of dumb brutes. If one cow gets in the corn field they all want in, and if a bunch of people buy land, it's the same way--they all want to buy. If they'd stop and think what they was doing they wouldn't do it."

"I think they have done too much already. Some people might want more Government help. The Government cut down on stuff a few years ago and then they couldn't get it when they needed it. I think farmers should take care of themselves and that Government help should stop. Government interference is wrong, and unless the Government stops spending so much we won't have any land out here to farm in 10 years...."

People who feel the present price of land is not out of line are less likely to look with favor on the idea of Government control than are those who think land values already too high. But concern over high prices is not necessarily accompanied by a desire for Government control; more than a fourth of those who think land values are too high are nevertheless opposed to Government control (Appendix, table 6).

Those who are more likely to be handicapped by high land values are more likely to favor Government control. Thus three-quarters of the tenants favor it, whereas only half the owner-operators favor it. Poorer farmers more often favor it than do wealthier farmers, younger farmers more often than older farmers (see Appendix, table 6).

These are the reasons farmers give in support of their views on Government control of the land market:

	Proportion of farmers giving each reason
<u>Reasons why the land market should be controlled:</u>	
To keep farmers from going broke, losing their farms; to prevent repetition of troubles after the last war	33%
To enable (poor) farmers to buy land	8
Other prices are controlled--if Government controls some, it should control all	6
Other Government programs have helped	4
Control would check speculation	4
<u>Reasons why the land market should be left alone:</u>	
Government regulation is wrong in principle	16
It is the individual's responsibility to take care of himself	13
Control would be impracticable, or difficult to administer	5
Other Government controls have failed	3
Control would mean dictatorship, communism	1
<u>Reservations</u>	
All right if control of farm-commodity prices continues	2
Depends on how high land prices go	1
No reason given	22
	*
Number of cases	314

As the foregoing table shows, those who oppose Government control of the land market stand on the principle that the Government ought to let people manage their own affairs. The majority who favor control

*Table adds to more than 100 percent because some farmers gave more than one reason.

give as their reason mainly that farmers should be protected against the sort of catastrophe that occurred after the last land boom.

Recollections of the last boom
have made farmers cautious,
but some point out that younger people
did not learn that lesson

Virtually all farmers (98 percent) have some knowledge of the disastrous effects of the last boom and collapse. Many definitely relate their own cautious attitudes to their own experiences after the last war, and many justify their belief in Government control of the market by reference to that unhappy period.

Six out of 10 feel that memories of the last boom are acting as a
brake on inflationary tendencies today, by leading farmers to make
substantial down payments, or to hold off buying while prices are so
high:*

"Well, I think if it hadn't been for that land boom, if it hadn't been for that experience, there would have been such a boom as that the last couple of years. Without fail, that'll crop out when there's a bunch of farmers talking. Someone will remind the group of 1921. They're not buying much land now. It's getting too high and people are a bit cautious."

A fourth feel that only older people have profited from experience,
and that the younger ones are venturing into the market unwisely:

"I was in it. I remember it all right. But it's only the older ones today pay any heed to how it was and are careful about what they buy. The younger ones aren't going to pay heed to it. The older ones are afraid to take hold of this land without they got plenty on the farm. That's why the Government can't let these boys get into the mess we did. If they won't listen to us, the Government has to make them see it. That's all. It would be worse the other way."

One out of 12 feels people are ignoring the lessons of 1921:

"I don't think it's had any (effect). Others have growed up that don't listen. Well, whoever wants to buy just goes ahead and buys. That's the way it looks to me."

*"Do you know anything about what happened to many farmers in the land boom after the first World War?" "To what extent do you think the experience of that boom is affecting people's plans to buy land now?"

APPENDIX

A. TABLES REFERRED TO IN THE TEXT

Table 1. Relation between tenure status and opinion regarding present land values

Opinion of present land values	Tenants	Part-owners	Full owners
Too high	69%	46%	38%
All right, with reservations	14	30	27
All right	13	20	27
Too low	1	2	2
"It depends," don't know opinions not ascertained	3	2	6
	<u>100%</u>	<u>100%</u>	<u>100%</u>
Number of cases	138	50	126

Table 2. Relation between tenure status and position in present land market

Position in land market	Tenants	Part-owners	Full owners
Plan to buy now	7%	10%	8%
Plan to buy later	33	20	13
Do not plan to buy land	58	68	77
Undecided whether to buy land	2	2	2
	<u>100%</u>	<u>100%</u>	<u>100%</u>
Number of cases	138	50	126

Table 3. Relation between attitude toward buying land and expected trend in land prices

Expected trend in land prices	Attitude toward buying land	
	Favorable	Unfavorable
Rise or remain the same	62%	20%
Fall	22	47
Fall, after a period of good prices	10	24
Undecided, depends, don't know	8	9
	<u>100%</u>	<u>100%</u>
Number of cases*	63	238

*Thirteen cases omitted in which attitude toward buying land not ascertained.

Table 4. Relation between position in land market and attitude toward land prices

Opinion of present prices of land	Position in land market		
	Plan to buy now	Plan to buy later	Do not plan to buy land
Too high	40%	65%	51%
All right, with reservations	28	18	24
About right	28	11	21
Too low	0	1	1
Undecided, depends, don't know	4	5	3
	<u>100%</u>	<u>100%</u>	<u>100%</u>
Number of cases	25	71	212

Table 6. Relation between willingness to sell land and size and value of farm

No. of cases*	Size and value of farm	Willingness to sell land			
		Quite willing to sell	Somewhat willing to sell	Entirely unwilling to sell	Not ascertained
<u>Size of farm</u>					
32	Less than 100 acres	16%	28	56	0
23	100-139 acres	9%	26	65	0
54	140-174 acres	4%	18	74	4
35	175-259 acres	0%	34	66	0
32	260 acres or more	6%	16	75	3
<u>Market value of whole farm**</u>					
35	Less than \$15,000	15%	31	51	3
32	\$15,000-\$34,999	5%	25	69	1
44	\$35,000 or more	2%	16	82	0
<u>Market value per acre***</u>					
54	Less than \$125	7%	26	65	2
50	\$125-\$174	8%	22	68	2
39	\$175-\$224	5%	28	64	3
30	\$225 or more	7%	13	80	0

*Owner-operators only. The percentages add to 100 when read across.

**Five cases omitted because market value was not ascertained.

***Three cases omitted because market value per acre was not ascertained.

Table 6. Relation of socio-economic and other characteristics to attitude toward Government control of land market

No. of cases	Characteristics	Attitude toward Government control of land market			
		Favor-able	Unfavor-able	Un-decided	Not ascer-tained
314	All cases	64%	32	2	2
	<u>Age</u>				
55	Under 35 years	74%	26	0	0
118	35 - 50 years	65%	30	3	2
124	Over 50 years	55%	40	3	2
	<u>Tenure</u>				
126	Owner-operators	51%	42	4	3
50	Part owners	62%	38	0	0
138	Tenants	74%	23	2	1
	<u>Value of farm operated</u>				
62	Less than \$15,000	66%	28	3	3
153	\$15,000 - \$34,999	66%	30	2	2
91	\$35,000 or more	56%	43	1	0
	<u>Economic status*</u>				
48	Lowest	77%	19	2	2
163	Middle	68%	28	3	1
102	Highest	49%	48	2	1
	<u>Opinion of present land values</u>				
166	Land values are too high	70%	28	1	1
70	All right, with reservations	68%	32	0	0
62	About right	45%	45	3	7
	<u>Position in land market</u>				
25	Plan to buy now	48%	48	0	4
71	Plan to buy later	77%	20	3	0
212	Do not plan to buy land	68%	33	4	1

*The rating of economic status is based on 1944 gross income, value of all land owned, and amount of liquid assets owned.

B. FARMERS' APPRAISALS OF CHANGES IN VALUE OF
THE FARMS THEY OPERATE

Almost half the farmers think the farms they operate have more than doubled in value since before the war.

Table 7. Farmers' estimates of the change in market value of their own farms since before the war*

	1944	1945
Think present price is:		
Lower than prewar price	2%	1%
About the same	4	3
20 percent higher, or less	7)	7)
21 - 55 percent higher	47)	39)
More than 55 percent higher	29)	45)
Higher, degree not specified	4)	2)
Evaluation not ascertained	7	3
	100%	100%
Number of cases	298	314

As shown on page 10, two-thirds believe the present market values of their farms are at least somewhat overinflated. Comparison of the above table with that on page 10 indicates, however, that most farmers believe the prewar values were too low in relation to long-term earning power.

It may be seen from the next table that those operating cheaper farms report much greater percentage increases over prewar values than do those operating farms with high pre-acre values. The former group tend to believe, however, that their farms were considerably undervalued before the war, and are therefore somewhat less inclined than those with high-priced farms to regard the present market values of their farms as much out of line:

*"What would this farm have sold for before the war?" "If this farm were for sale, what do you think it would bring on the present market?"

Table 8. Farmers' estimates of recent changes in price of their own farms, and of what their farms are actually worth

Prewar price (range)	Prewar price* (average)	Present price** (average)	Percent present price exceeds prewar price	Long-term value*** exceeds prewar long-term value	Percent present price exceeds prewar long-term value
Under \$60 (per acre)	\$41	\$73	78%	\$62	18%
\$60-\$79	69	107	55	91	18
\$80-\$114	95	150	58	122	23
\$115-\$159	135	210	55	164	28
\$160 and over	195	270	38	217	25
<hr/>					
Number of cases reported:					
Under \$60	46	45	45	43	43
\$60-\$79	66	66	66	63	63
\$80-\$114	77	77	77	73	73
\$115-\$159	81	79	79	77	77
\$160 and over	31	31	31	30	30

*"What would this farm have sold for before the war?"

**"If this farm were for sale, what do you think it would bring on the present market?"

***"How much do you think a farmer could pay for this farm now and still make it pay out over a period of years?"

C. ABILITY TO BUY

Although only 8 percent of the farmers in the sample are planning to buy land now and 23 percent are thinking of buying later, it will be useful to investigate the relative ability of these farmers to buy land.

The median gross cash income in 1944 of the prospective buyers is not much different from that of farmers not interested in buying, and the proportions of the two groups in the different income brackets are very similar.

Table 9. Relation between position in land market and 1944 income

Gross cash income in 1944	Position in land market*	
	Plan to buy now or later	Do not plan to buy
\$1,000 or less	4%	6%
\$1,001-\$2,000	10	11
\$2,001-\$3,000	17	17
\$3,001-\$5,000	34	37
\$5,001-\$7,000	16	13
Over \$7,000	17	15
Not ascertained	2	1
	<u>100%</u>	<u>100%</u>
Number of cases	96	212
Median income	\$4,090	\$3,860

*Six cases omitted because their position in the land market was not determined.

Although prospective buyers do not differ appreciably from nonbuyers in regard to 1944 gross cash income, there is a marked difference in the amounts of liquid assets held by the two groups. Of those farmers who are thinking of buying land, almost twice as many have liquid assets of \$5,000 or more as among those who do not plan to buy. Furthermore, the median amount of liquid assets held by the prospective buyers is nearly twice as large as the median among nonbuyers.

Table 10. Relation between present position in land market and amount of liquid assets

Amount of liquid assets	Position in land market	
	Plan to buy now or later	Do not plan to buy land
Less than \$500	6%	19%
\$500-\$1,999	32	38
\$2,000-\$4,999	35	26
\$5,000-\$9,999	18	10
\$10,000 and over	9	5
Not ascertained	-	2
	100%	100%
Number of cases	96	212
Median amount	\$3,027	\$1,680

In order to gain further information about the financial ability of farmers to buy land, respondents were asked a series of questions involving a hypothetical purchase. The first of these questions was:

"Suppose you yourself were going to buy some land this year. About how large a purchase could you make in terms of dollars, including your credit?"

Some farmers refused to consider the question in terms of what they could buy, and answered instead in terms of what financial arrangements they would be willing to make. For example, some owner-operators.

said they could mortgage their land to raise money for the purchase of additional land, but that they would not consider doing so; in such a case mortgaging land was not recorded as a possible source of money. The net effect of such a system of classification is that to some extent the findings based on the hypothetical purchase indicate psychological rather than strictly financial ability to buy.

All the following tables are based on the hypothetical purchase.

About one-fourth of the farmers who do not plan to buy land say they would be unable to buy anyway in the foreseeable future, as contrasted with only 3 percent of the prospective buyers who say they could not buy at any time soon. More than two-fifths of the prospective buyers indicate they could make purchases of up to \$12,000, and half of them say they could buy land of more than \$12,000, compared with less than a third of the nonbuyers who could make purchases so large. The median size of purchase prospective buyers say they could make is almost twice as large as that among nonbuyers.

Table 11. Relation of position in land market to size of purchase that could be made

Size of purchase that could be made now	Position in land market		All farmers
	Plan to buy now or later	Do not plan to buy land	
Could not make any immediately	3%	26%	19%
Less than \$12,000	44	34	38
\$12,000 to \$19,999	27	18	20
\$20,000 and over	24	15	16
Don't know	-	1	1
Not ascertained	2	8	6
	<u>100%</u>	<u>100%</u>	<u>100%</u>
Number of cases	96	212	314
Median size of purchase	\$12,888	\$7,450	\$9,880

More than half the prospective buyers say they could make a down payment of \$4,500 or more, as opposed to only about three-tenths of the nonbuyers who could make so large a payment. Moreover, the median amount of the down payment among prospective buyers is nearly twice that which nonbuyers say they could make.

Table 12. Relation of position in land market to size of down payment that could be made

Amount of down payment if land were to be bought now	Plan to buy now or later	Do not plan to buy
None immediately	4%	27%
Less than \$2,500	18.	19
\$2,500-\$4,499	21	16
\$4,500-\$7,999	30	13
\$8,000 and over	25	16
Don't know	-	1
Not ascertained	<u>2</u> 100%	<u>8</u> 100%
Number of cases	96	212
Median amount	\$5,314	\$2,320

These down payments would be made predominantly with war bonds or other savings. Relatively few farmers say they would have to borrow in order to make the down payment, although those who want to buy land are more willing to consider borrowing, at least in a hypothetical situation, than are those who are not interested in buying.

Table 13. Relation of position in land market to source of money that would be used for down payment

Source of money for down payment if land were to be bought now	Position in land market		All farmers
	Plan to buy now or later	Do not plan to buy	
Liquid assets (savings, war bonds, current receipts, cash on hand)	73%	55%	60%
Sale of livestock	21	18	20
Borrowings*	21	10	13
Sale of other land	2	3	3
Could not buy any land immediately	3	26	19
Not ascertained	**	**	8
Number of cases	96	212	314

*Includes 38 cases where the type of security was not mentioned, and 4 where mortgaging of land was specified.

**Each column adds to more than 100 percent because some respondents mentioned more than one source of funds.

Summary: The difference between prospective buyers and those who are not interested in buying land is small with respect to 1944 gross cash income, but rather considerable with respect to liquid asset holdings. The influence of financial standing on interest in land buying is indicated by the fact that those with some intentions of buying, whether definite or not, feel that they could make larger purchases than do those who say they have no intentions of buying. About a fifth of those who are thinking of buying say they would have to borrow money if they were to buy land now.

